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Counsel for Mercer (US) Inc.

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:) Case No. 12-12020 (MG)
)
RESIDENTIAL CAPITAL, LLC, et al.,) Chapter 11
)
Debtors.) Jointly Administered

**THIRD SUPPLEMENTAL DECLARATION OF JOHN DEMPSEY IN SUPPORT
OF DEBTORS' APPLICATION FOR ENTRY OF AN ORDER
AUTHORIZING EMPLOYMENT AND RETENTION OF MERCER (US) INC.**

I, John Dempsey, being duly sworn, hereby deposes and says:

1. I am a partner of Mercer (US) Inc. ("Mercer"), with offices located at 10 South Wacker Drive, Suite 1700, Chicago, Illinois 60606. I am authorized to execute this declaration (the "Declaration") on behalf of Mercer. Unless otherwise stated in this Declaration, I have personal knowledge of the facts set forth within.

2. This Declaration is being submitted as a supplement to the Application (the "Application") to Employ and Retain Mercer (US) Inc. as Compensation Consultant to the Debtors *Nunc Pro Tunc* to the Petition Date. [Docket No. 511].

3. In the original Declaration in support of the Application, Mercer disclosed relationships with certain potential parties-in-interest, and reserved the right to supplement that disclosure in the event new material relevant facts or relationships were discovered or arose. Accordingly, Mercer discloses that it has been engaged to perform services for the benefit of Financial Guarantee Insurance Company, which is a member and co-chair of the official committee of unsecured creditors for the Debtors. Mercer further discloses that it has been engaged to perform services for Walter Investment Management Corp., which was a purchaser of certain assets of the Debtors. These services are unrelated to the Debtors' cases, and to the best of my knowledge, Mercer remains a "disinterested person" and neither holds nor represents an interest adverse to the Debtors.

4. Additionally, pursuant to paragraph 5 of the Order Authorizing the Employment and Retention of Mercer as Compensation Consultant to the Debtors (the "*Retention Order*") [Docket No. 778], Mercer is required to file a supplemental affidavit with the Court and serve notice on certain parties prior to any increases in Mercer's rates.

5. As part of its business practices, Mercer reviews the billing rates of its professionals on a regular basis. In accordance with this practice, Mercer has recently adjusted its rates upwards by approximately three to six percent, depending on the professionals' position. Accordingly, below are the adjusted rates of Mercer professionals that have provided services to the Debtors:

- a. John Dempsey (Partner) - \$783.00 / hour
- b. Bryan Dluhy (Associate) - \$359.60 / hour
- c. Ann Corin (Analyst) - \$290.00 / hour
- d. Sahil Mehta (Analyst) - \$290.00 / hour

- e. Alex Nestorov (Analyst) - \$290.00 / hour
- 6. The Debtors have consented to the rate increases set forth herein.
- 7. Except as otherwise indicated, all facts set forth in this Declaration are based upon my personal knowledge.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: May 3, 2013

/s/ John Dempsey
John Dempsey